INTELLOFAX &

INFORMATION REPORT

COUNTRY	Yugonlavia	11	DATE DISTR 19 Feb 52
5X1 SUBJECT 5X1	Oil Production Enterp	rise in Donja Lendava CONFIDENTIAL	NO OF PAGES 2
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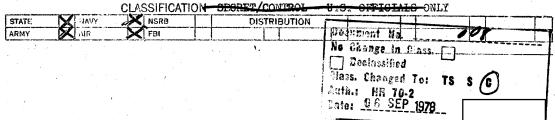
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- The enterprise for oil production in Donja Lendava is a state enterprise created by the Federal Government on 8 September 1947. The enterprise's responsibilities include drilling, the production of oil and gas and the organization and management of that work directly connected with it. The enterprise has steadily developed since its creation and during the winter of 1950/1951 its construction included the following:
 - a. corduits for oil and gas;
 - b. oil-collecting stations:
 - c. machinery warehouse;
 - d. a repair shop in Petesevci, where oil-drilling equipment can be repaired and where spare parts and complete (sic) oil machinery can be manufactured. (Previously, similar machinery was imported);
 - e. the enlargement of oil reservoirs;
 - f. construction of new equipment for gas production;
 - g. enlargement of degasification (sic: degazolinaza) devices;
 - h. modernization of processes for the transforming of gas into liquids:
 - new buildings for heating gas (propane and butane, which are sent to different industrial enterprises and laboratories in liquid form);
 - j. new buildings for methane production (they are equipped with two compressor stations which fill, under high pressure, steel tubes destined for industrial use); and
 - k. thirty-two apartment buildings for the workers, Constructed in 1950, they house 200 families and several single persons. A restaurant and motion-picture auditorium were also built.

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- 2. New towars are constantly being erected at the oil fields around Donja Lendava. Twelve drilling brigades are presently at work on a 2h-houra-day schedule. In addition to the towers, new reservoirs, warehouses, depots and repair shops are under construction. To save material and manpover, bases for the towers are no longer built of cement but of wood. In this manner, the price of each drilling meter was reportedly reduced about thirty per cent.
- 3. During 1950 approximately 500 workers and 95 administrative employees of the enterprise were discharged from their jobs.

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Comment: Other petroleum wells in Yugoslavia are located in Gojlo, Mramor Brio, Sumecani, near Ulcinj, near the Albanian border, in the area of Majevica, not far from Tuzla, and in the area of Velika Greda in the Banat.

The Yugoslav Government conducts a three-year course for oil drillers in the former palace of Count Esterhazi. At each session 126 young workers graduate as qualified drillers. The first class of 17 qualified drillers graduated in 1949; fourteen of these were Party members and three were members of the Yugoslav Youth Group. Dusan Petrovic is the director of the school.

The drilling equipment mentioned above is presently produced in the Djuro Dakovic Factory in Slavonski Brod. Petroleum pipes are produced in a factory in Jesenica.

At the time the above-mentioned enterprise was founded in Donja Lendava in 1947, Milan Ostruznjak was Director and Egon Petric was Chief Engineer. In 1948 Milan Horvat, formerly director of the mining school, was made Director. In 1949 Sava Jakulin was Assistant Director, and, in 1950, the secretary of the enterprise was a certain Knezevic. It is not known whether they are still members of the enterprise's administrative staff.

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